



DECISION OF DIRECTOR OF DEVELOPMENT AND ENVIRONMENT,

DECISION No. 16/17 DE 182

SUBJECT:

Provision of Hinkley Supply Chain support to North Somerset, Bristol City and South Gloucestershire Councils

DETAILS

The support for local businesses and organisations to develop and grow is a key priority for the Council.

The Hinkley C project will have considerable economic impact and offers local businesses an opportunity to secure increased growth. Dedicated business support and advice to businesses on how to realise this opportunity is vital to maximising the benefit.

The services identified through this draft Service Level Agreement (SLA) between North Somerset Council and Somerset Chamber of Commerce and Industry will provide a range of support that will contribute to the Council KCPIs and priority on growth, but cannot be delivered by Council teams due to lack of capacity and some of the services requiring expert advisors with specialist business knowledge which cannot be provided. The SLA will cover:

- Employment of a North Somerset dedicated Supply Chain lead.
- Utilising Somerset Chamber of Commerce knowledge and experience in delivering the Hinkley Supply Chain work for EDF.
- Support and advice to businesses in all aspects of the Hinkley opportunity.
- Support to businesses to develop the capacity to tender for Hinkley contracts.
- Utilising Somerset Chamber of Commerce knowledge and experience of the Hinkley Project to provide support to Bristol City and South Gloucestershire Councils through promotion and events to increase business awareness of the Hinkley Project in those areas.

North Somerset Council will act as the lead partner on behalf of the Councils in relation to the SLA.

Legal services has advised that the SLA should be written as a legally enforceable contract and that an exemption from standing order 3.1.8 should be sought because of the specialised nature of the service and that no other organisation can deliver this work. This decision supersedes previous decision No 14/15 DE104 26th August 2014.

DECISION:

1. That exception to Contract Standing Orders 3.1.8 applies.
2. That a contract is entered into with Somerset Chamber of Commerce and Industry to the value of £50,000, plus VAT for the provision of services to local businesses in North Somerset, Bristol City and South Gloucestershire during the period 1 September 2016 to 31 August 2017. Dependant on the development going ahead and further support being approved by the West of England LEP.
3. That the attached Service Level Agreement with Somerset Chamber of Commerce and Industry Ltd is approved.

Reasons:

1. Somerset Chamber of Commerce and Industry is the identified delivery partner of EDF the delivery company of the Hinkley project and, as such, the only organisation able to deliver this work. There can be no competitive process.
2. The number of businesses registered is a council KCPI.

Other Alternatives Considered:

No other alternatives are available to provide the range of services from one source with the level of experience required by North Somerset Council to meet corporate priorities around business support and growth.

Financial Implications:

- The decision is within the relevant budget of the Directorate (including phased capital budget) and the relevant revenue & capital budget, and the Directorate's overall budget is not projected to be overspent.
- This is being funded through the priorities agreed by the Employment and Economic Development Board.
- Bristol City and South Gloucestershire Councils will be providing a set amount for work in their areas as identified in the SLA.

Implications for Future Years:


This is time limited service level agreement that covers the work North Somerset Council is unable to carry out to the same level from its own resources. This agreement is reviewed on an annual basis dependant on changing service needs, business needs and funding available.

A bid into the West of England and Heart of the South West LEPs to fund similar work has been made by Somerset Chamber of Commerce and Industry Ltd, with a decision due early 2017. If the bid is successful, this SLA will be terminated.

Risk Assessment:

The Somerset Chamber of Commerce and Industry has set up and is delivering the Hinkley supply chain system and has the experience and capacity to deliver against the targets identified.

The SLA includes a clause for the return of funding should the overall Hinkley Project not proceed during the time this SLA will run or if additional Local Enterprise Partnership funding is secured.

Signed Director of Development and Environment

Dated 5/9/16

DATED:

SERVICE LEVEL AGREEMENT

between

**NORTH SOMERSET COUNCIL
(ALSO ON BEHALF OF SOUTH GLOUCESTERSHIRE COUNCIL AND
BRISTOL CITY COUNCIL)**

and

**SOMERSET CHAMBER OF COMMERCE &
INDUSTRY LIMITED**

THIS AGREEMENT is dated:

PARTIES

The parties to this service level agreement (Agreement) are:

- (1) North Somerset Council of Town Hall, Weston-super-Mare BS23 1UJ (North Somerset), also on behalf of South Gloucestershire and Bristol City councils
- (2) Somerset Chamber of Commerce & Industry Limited, Equity House, Blackbrook Park Avenue, Blackbrook Business Park, Taunton, Somerset TA1 2PX (SCCI)

together "the Parties" and each a "Party"

1. GENERAL OBLIGATIONS AND PAYMENT

- 1.1 Each Party shall at all times act in good faith towards the other Party in interpretation and the delivery of this agreement
- 1.2 SCCI will provide North Somerset, South Gloucestershire and Bristol City Councils the services as set out in the Appendix.
- 1.3 As the account holding organisation North Somerset shall pay SCCI for the Services delivered in accordance with the terms of this Agreement.
- 1.4 The prices for the Services are set out at in the Appendix 1.
- 1.5 North Somerset shall pay all or any undisputed sums within 28 days of the receipt of the invoice from SCCI.

2. DISPUTES

- 2.1 Where a dispute arises between the Parties out of or in connection with this Agreement the Parties shall first attempt to settle it by negotiation between the contract managers.
- 2.2 Where the contract managers fail to resolve the Dispute within 5 days of the Dispute arising, the contract managers shall escalate the Dispute to a senior person within their respective organisations.

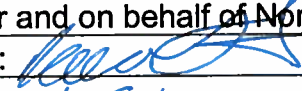
3. TERM

- 3.1 This Agreement shall commence on 1 September 2016 and shall expire on 31 August 2017 subject to 3.2

- 3.2 A joint Heart of the South West and West of England LEP funded business support contract is expected to be initiated and active during Q 1 2017. (Opportunity Id DN171328-SME Business Support for Hinkley Point C Supply Chain). This term for this SLA agreement can be terminated at an earlier date than 31 August 2017 on the basis that the joint LEP activity detailed here is judged to be funded, live and replacing the proposed activities.

4. RIGHTS OF THIRD PARTIES

- 4.1 This agreement shall not create any rights that shall be enforceable by anyone other than the parties to this agreement.

Signed for and on behalf of North Somerset Council	
Signature: 
Name: <i>David Carter</i>
Position: <i>Director Development & Environment</i>
Date: <i>5/9/16</i>
Signed for and on behalf of Somerset Chamber of Commerce & Industry	
Signature:
Name:
Position:
Date:

Appendix 1

Services to be provided

Introduction

This agreement covers the provision of services to increase North Somerset, South Gloucestershire and Bristol City business inclusion in Hinkley C activity bringing economic gain and inward investment enquiries.

THE SERVICE

Hinkley Supplier Enabling Programme

The Hinkley Enabling Programme (HEP) focusses on proactive and early interpretation of identified work package requirements, sourcing and briefing suppliers with transferable capability and leveraging existing support mechanisms to deliver tailored supply chain development. This will increase the number of businesses with competitive capabilities to tender and win contracts. Main contractor relationships will also be leveraged to generate inward investment enquiries. This programme is delivered by the Hinkley Supply Chain Team managed by Somerset Chamber of Commerce and delivered in partnership with SWMAS Ltd and Business West.

The main programme activities will be

HPC Work package assessment

- Leveraging mechanisms of engagement already in place for the Hinkley C project (managed by Somerset Chamber of Commerce and the Hinkley Supply Chain Team), main contractors (Mainly Tier 1 and 2) will identify work package items for assessment and localisation early in the procurement process.
- The Hinkley Supply Chain Team will interpret the scope and scale of work package requirement in order to inform an effective supplier match that adds value for the main contractor

Supplier capability matching and validation

- Delivery of intelligent supplier capability match to find viable and competitive suppliers in the South West for promoting to Tier 1 and 2 teams
- Validation of supplier capability / competence (de-risk for Tier 1 and 2, benchmark for supplier)
- Refer and connect suppliers to existing business improvement mechanisms